

# ISSUES TO CONSIDER NEGOTIATING

*Review this list before you negotiate any contract.  
Take advantage of all the opportunities and cover all the important issues*

<ul style="list-style-type: none"> <li>• Availability</li> <li>• Administrative charges</li> <li>• Alternate Dispute Resolution</li> <li>• Amortization schedule</li> <li>• Audit rights</li> <li>• Bank &amp; Finance institution</li> <li>• Barter arrangements</li> <li>• Cancellation charges</li> <li>• Confidential information</li> <li>• Contingencies</li> <li>• Copyright</li> <li>• Changes</li> <li>• Consignment inventory</li> <li>• Cost Breakdown</li> <li>• Counter trade</li> <li>• Currency</li> <li>• Customer visits</li> <li>• Damages</li> <li>• Delivery</li> <li>• De-mobilization costs</li> <li>• Discounts</li> <li>• Electronic data interchange</li> <li>• Electronic funds transfer</li> <li>• Escrow company</li> <li>• Exchange rates</li> <li>• Exchanges</li> <li>• Extended warranty</li> <li>• F.O.B. point</li> <li>• Fee</li> <li>• Freight method, costs and charges</li> </ul>	<ul style="list-style-type: none"> <li>• Installation</li> <li>• Insurance</li> <li>• Intellectual property rights</li> <li>• Inventory Costs</li> <li>• Invoice method</li> <li>• Invoice terms</li> <li>• Labor rates</li> <li>• Lead time</li> <li>• Legal venue</li> <li>• License agreements</li> <li>• License fees</li> <li>• Maintenance</li> <li>• Marketing support</li> <li>• Manufacturer's allotment</li> <li>• Mediation</li> <li>• Meeting locations &amp; schedule</li> <li>• Mobilization costs</li> <li>• Multiple deliveries</li> <li>• Obsolete Inventory Responsibility</li> <li>• Overages</li> <li>• Packaging</li> <li>• Payment terms</li> <li>• Payment method</li> <li>• Performance specifications</li> <li>• Price</li> <li>• Price escalation</li> <li>• Problem escalation path</li> <li>• Profit</li> </ul>	<ul style="list-style-type: none"> <li>• Progress payments</li> <li>• Quality rate</li> <li>• Raw materials</li> <li>• Recycled content</li> <li>• Residual value</li> <li>• Restocking charges</li> <li>• Returns</li> <li>• Risk of loss</li> <li>• Safety Stock</li> <li>• Scrap recycling</li> <li>• Spare parts pricing/availability</li> <li>• Special marking</li> <li>• Specifications</li> <li>• Stand-by rates</li> <li>• Start-up assistance</li> <li>• Storage of unused materials</li> <li>• Subcontracting</li> <li>• Termination Provisions</li> <li>• Terms and conditions</li> <li>• Testing</li> <li>• Tooling</li> <li>• Training</li> <li>• Travel expenses</li> <li>• Upgrades</li> <li>• Wage Adjustments</li> <li>• Warranty</li> <li>• Vacation / Shutdown</li> <li>• Work Schedules</li> </ul>
<u>Negotiating Long Term Relationships</u>		
<ul style="list-style-type: none"> <li>• Access to Computerized Inventories</li> <li>• Access to Computer Systems</li> <li>• Authorities and limitations</li> <li>• Computer Security Program</li> <li>• Controlling problem people</li> <li>• Cost cutting procedures</li> <li>• Disposition of user data</li> <li>• Efficiency improvements</li> </ul>	<ul style="list-style-type: none"> <li>• Ending the contract/relationship</li> <li>• EXTRANET ordering relationship</li> <li>• Fair profit vs fair value</li> <li>• Goals of the relationship</li> <li>• In-Plant Support, inventory</li> <li>• Internet Web Page Sharing</li> <li>• Key players</li> <li>• Legal recourse</li> <li>• Operating procedures</li> </ul>	<ul style="list-style-type: none"> <li>• Power balancing</li> <li>• Problem resolution process</li> <li>• Product improvements</li> <li>• Reporting</li> <li>• Removal of packaging materials</li> <li>• Sharing of cost savings</li> <li>• Structure of the agreement</li> <li>• Term</li> <li>• Training programs</li> <li>• User Catalog Maintenance</li> </ul>